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Formulation, revision and implementation of action programmes in view of the post-2015 sustainable development framework

Formulation, revision and implementation of action programmes in view of the post-2015 sustainable development framework

Note by the secretariat

Summary

This report has been prepared jointly by the secretariat and the Global Mechanism in response to the relevant provisions in decision 2/COP.11 on strengthening and enhancing the process of alignment and implementation of action programmes with the 10-year strategic plan and framework to enhance the implementation of the Convention (2008–2018) (The Strategy).

It responds to the request of the Committee for the Review of Implementation of the Convention to: (a) agree on a clear understanding of the integrated financing strategy (IFS)/integrated investment framework (IIF) processes and their relationships with the national action programme (NAP) alignment process; (b) advise on the ways the IFSs/IIFs can be integrated into the NAP process; and (c) discuss a plan for the NAP alignment process vis-à-vis the overall sustainable land management goals.

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I. Introduction

1. Decision 2/COP.11 on strengthening and enhancing the process of alignment and implementation of action programmes with the 10-year strategic plan and framework to enhance the implementation of the Convention (2008–2018) (The Strategy) requests the Committee for the Review of the Implementation of the Convention (CRIC), at its thirteenth session, to agree on a clear understanding of the integrated financing strategy (IFS)/integrated investment framework (IIF) processes and their relationships with the national action programme (NAP) alignment process, ensuring that all stakeholders are aware of the same, and to advise on the ways to integrate IFSs/IIFs into the NAP alignment process.

2. The same decision requests the CRIC to discuss at its thirteenth session (CRIC 13) a plan for the NAP process vis-à-vis the overall sustainable land management (SLM) goals and also requests the secretariat and the Global Mechanism (GM) to present options to mobilize the resources and capacities required for the realization of the said plan at the national level.

3. This report has been prepared jointly by the secretariat and the GM in response to the relevant provisions of decisions 2/COP.11 and presents an overview of the process for the formulation, revision and implementation of NAPs as well as the technical and financial support it has received from the Convention's institutions and the Global Environment Facility (GEF). Finally, elements for a plan in view of the post-2015 sustainable development framework and its funding options are presented to the Committee for consideration and any recommendation it may wish to take in this regard.

II. Status of the formulation, revision and implementation of national action programmes

4. Based on reports submitted by affected country Parties in the 2014 reporting exercise at the end of 2013, thirty-two countries have their NAPs revised and aligned with the five operational objectives of The Strategy.[1] Out of those, eleven NAPs were formally adopted while the remaining NAPs have been integrated into national environmental and development policies and plans.

5. Although there are now three times as many countries that have completed the NAP formulation process than those who did so by the end of 2011, the global target of "80 per cent of affected country Parties having aligned their NAP by 2014" still seems far out of reach. However, 82 per cent of the affected countries have received GEF funding for enabling activities in the current biennium and have made advancements in the process (see chapter III below). The majority of the countries that have not completed the alignment exercise yet (64 per cent) have indicated their plans to do so by the end of 2015. According to this information, it is therefore very likely that the exercise will be completed and the global target achieved, although one year later than expected.

6. The ongoing formulation, revision and alignment of NAPs also has an impact on the expected effectiveness of national planning: the large majority of aligned NAPs (80 per

[1] See document ICCD/CRIC(13)/3 for additional information on the outcomes of the 2014 reporting exercise, including at the regional and subregional levels.

cent) include a knowledge-based identification of the biophysical and socioeconomic drivers of desertification/land degradation and drought (DLDD) as well as their interaction with climate change and biodiversity. Similarly, in most aligned NAPs (90 per cent) barriers to SLM have been addressed.

7. Seventy per cent of the countries that have aligned their NAP have data and information available to report on progress indicators[2] currently included within the Convention on Biological Diversity (CBD) and the United Nations Framework Convention on Climate Change (UNFCCC) reporting processes.

III. Support for the national action programme process

A. Financial support

8. Since 2012 the GEF has been making available for the first time funding for enabling activities under its land degradation focal area to support national activities for the reporting and formulation/revision of NAPs. Financial contributions of up to USD 150,000 have been released through three funding modalities (direct access, access through GEF implementing agencies and umbrella projects).

9. Out of the 144 eligible GEF countries, 133 affected country Parties successfully secured these resources prior to end of the fifth replenishment of the GEF Trust Fund (GEF-5) (June 2014). Eighty-nine per cent of these applied for the funding of enabling activities through three umbrella projects that the United Nations Environment Programme (UNEP) is currently implementing,[3] and the remaining mostly through GEF implementing agencies. It is estimated that approximately USD 22,000,000 has been invested in the reporting and alignment process, out of which USD 7,500,000 from GEF-5 set-aside resources.

10. The secretariat and the GM facilitated this process, providing encouragement, information on funding opportunities and modalities, and guidance and direct assistance at the request of eligible Parties in their efforts to access these funds, in cooperation with UNEP and other implementing agencies.

B. Technical support

11. In accordance with the recommendations in the final report of the CRIC at its eleventh session (CRIC 11) and decision 2/COP.11, the secretariat and the GM continue providing technical support to the NAP process, including through capacity-building, awareness-raising and the use and improvement of effective tools to enhance the same. The actions being taken can be summarized as follows:

(a) Publishing guidelines and other reference material. The secretariat is presently undertaking a comprehensive review of all technical and training materials related to the NAP process with a view to updating the same and creating additional training materials;

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[2] Progress indicators currently include trends in abundance and the distribution of selected species and trends in carbon stock above and below ground.

[3] See <www.thegef.org/gef/project_detail?projID=4829>, <www.thegef.org/gef/project_detail?projID=5136>, and <www.thegef.org/gef/project_detail?projID=5898>.

(b) Carrying out capacity-building measures. For the period under review, the secretariat, in cooperation with the GM, has organized and held a series of subregional workshops on the formulation, revision and alignment of NAPs. These exercises were aimed at delivering training in the area of the actual organization, reconciliation and completion of the development of NAPs and the IIF/IFS process. Similarly, the secretariat has participated in the organization of joint workshops focusing on synergies in the development and implementation of NAPs, national adaptation programmes of action and national biodiversity action plans. In addition, new e-learning courses have been and are being developed by the secretariat on topics relevant to the NAP process;[4]

(c) Providing assistance upon request for affected country Parties on the self-assessment and review of the revised NAP. The secretariat and the GM have developed a protocol against which the formulated NAPs can be checked. This protocol is based on the NAP guidelines and the stipulations of relevant Conference of the Parties (COP) decisions, including 2/COP.11, and has recently been tested with a number of Parties;

(d) Raising awareness. The issue of awareness with regard to having a national programme/plan to address SLM was addressed within the general framework of the secretariat's communication strategy. Apart from the UNCCD website and the publishing of technical material, awareness is consistently being raised at special events such as the World Day to Combat Desertification (WDCD);[5]

(e) Piloting national target-setting within the NAP process. With the support of the Republic of Korea,[6] the secretariat is facilitating a pilot project to assist countries that wish to implement a land degradation neutrality (LDN) approach in the formulation, alignment and implementation of their NAPs. At the end of the project, a representative sample of affected country Parties will translate the LDN goal into national voluntary targets, making use of the implementation framework and the monitoring and assessment mechanisms established within the UNCCD process. A similar project is being planned in the Caribbean subregion through support from Trinidad and Tobago.

12. With particular regard to the LDN project described above, 17 affected country Parties[7] from all Regional Implementation Annexes have expressed their interest in the initiative and are concluding implementation agreements with the secretariat. Participating countries will review data compiled by the secretariat on the six progress indicators adopted by the COP at its eleventh session (COP 11), complement and/or supplement such information with data available at national and subnational level, and assess the extent and trend of land degradation in the affected areas in their countries. Based on this assessment, the participating countries will identify realistic targets to achieve LDN, which will be integrated in their NAP and subsequently monitored. An area or site will be identified in each country, where in-depth observations are to be initiated at local level. This exercise will also allow for the testing of the assessment exercise, which is described in chapter IV below (national planning instruments vis-à-vis the overall SLM goals).

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[4] Topics include the role of the national focal point in: (a) the NAP development process; (b) the NAP process and the Sustainable Development Goals; (c) access to GEF resources for supporting the NAP process; and (d) the NAP process and the issue of LDN.

[5] For WDCD 2014 the secretariat ran a special global event entitled "Climate Proof Land", which was focused around the action programme process.

[6] Under the "Changwon Initiative".

[7] Algeria, Armenia, Belarus, Bhutan, Chad, Chile, Costa Rica, Ethiopia, Grenada, Indonesia, Italy, Myanmar, Namibia, Nicaragua, Panama, Senegal and Turkey.

C. Integrated investment frameworks

13. The COP, through its decision 2/COP.11, requested the CRIC, at its thirteenth session, to: (a) agree on a clear understanding of the IFS/IIF processes and their relationships with the NAP alignment process; and (b) advise on the ways to integrate IFSs/IIFs into the NAP alignment process.

14. While the NAP alignment process should identify the policy and programme gaps at national level within the context of The Strategy, it should also feed into the country-level IIF. The IIF aims to mobilize financing and create an enabling environment for SLM investments based on country priorities.

15. Furthermore, the IIF:

(a) Describes the priority investment activities and matches these with current financing sources and implementing entities, with indicative investment allocations. This allows the financing gaps and priority actions for the mobilization of resources from current and potential sources to be identified;

(b) Allows for the identification of synergies between SLM investments and financing instruments;

(c) Promotes the increased harmonization and alignment of donor investment activities at the country level.

16. The IIF is defined by the government, with support from development partners and other relevant stakeholders. It is an agreement between the government, development partners and, potentially, non-governmental organizations and the private sector to package investments from a blend of sources for implementing SLM programmes, including the NAP. The aim is to catalyse investments in SLM from sources such as public expenditure at the national and local levels, private sector investments (including investments from farmers and communities) and funds from international development partners. The IIF should not run parallel to national development processes; rather it should be part of the country's overall resource allocation. It should include dedicated SLM budget lines in the various processes within the country's overall development planning and budgeting. The IIF should be summarized in a document, outlining priority interventions, expected outcomes/outputs/activities, lead responsibilities, financial resources required, sources of funding available (on- and off-budget resources, including contributions from development partners) and financial delivery mechanisms.

17. Wherever possible, the development of an SLM IIF should build on existing (national or sector-wide) processes and frameworks. For example, if a country already has a comprehensive sector programme for forestry or rural development, it might be more effective to mainstream SLM principles into this programme rather than establish an SLM-specific framework.

IV. National planning instruments vis-à-vis the overall sustainable land management goals

A. Rationale and basic elements for a plan

18. Affected countries were requested to take a number of actions in order to increase the effectiveness of national planning instruments and internal policies, including to: (a) revise their NAPs to combat desertification in order to align them with the operational objectives of The Strategy; (b) mainstream combating DLDD into the national development

policies; (c) ensure that drivers of land degradation are scientifically identified and addressed in the NAPs (jointly with other major threats to the social and economic environment: climate change and biodiversity loss); and (d) include the NAPs in the IIFs to ensure their effective implementation.

19. In addition to these measures, the COP also decided to establish a consistent monitoring and evaluation approach with a view to measuring the impact of such instruments on land degradation processes. This framework consists of: (a) progress indicators; (b) a conceptual framework that allows for the integration of indicators; and (c) the sourcing of and management mechanisms for indicators at the national/local level. In this regard, the COP further encouraged affected country Parties to establish targets using the progress indicators adopted by the COP, taking into account regional and national specificities.

20. According to the performance review and assessment of implementation system (PRAIS) and other relevant COP decisions, affected country Parties are to report on progress indicators in 2016, making use of available data from recognized sources, in order to have the first baseline assessment on progress indicators available for the thirteenth session of the COP in 2017 (COP 13). The use of available data series will also allow for an assessment of desertification trends.

21. Another important element is the link between possible targets established within the NAPs and the assessment based on progress indicators as decided by the COP. COP 11 invited affected country Parties, even if the NAP alignment process has not yet been completed, to establish voluntary national targets for progress indicators in order to measure progress in achieving the priorities established in their NAP. Decision 22/COP.11 (on how best to measure progress on strategic objectives 1, 2 and 3 of The Strategy) encourages affected country Parties to establish targets using the six progress indicators annexed to that decision, taking into account regional and national specificities.

22. Finally, the COP requested the CRIC to discuss at its thirteenth session a plan for the NAP alignment process vis-à-vis the overall SLM goals.[5] In this regard, by the end of 2015 the General Assembly will adopt Sustainable Development Goals (SDGs), including SDG 15 and its target 15.3, which currently reads "by 2020, combat desertification, and restore degraded land and soil, including land affected by desertification, drought and floods, and strive to achieve a land-degradation neutral world".

23. Taking the above into consideration, a plan for the NAP alignment process may include the following elements and be carried out in accordance with the indicated timeframe:

(a) Affected country Parties complete the revision of NAPs that have not been aligned yet, including the establishment of IIFs (by the end of 2015);

(b) The secretariat provides affected country Parties with national estimates for the progress indicators based on available data, and a baseline is established for these indicators (in 2016);

(c) Affected country Parties revise the national estimates provided by the secretariat and set national voluntary targets for land degradation neutrality within their NAPs (2016–2017);

[5] Decision 2/COP.11

(d) Developed country Parties, intergovernmental organizations and the GEF provide additional technical and financial support for enabling activities in order to facilitate the assessment against progress indicators and target-setting (2016–2017);

(e) Parties reach an agreement at COP 13 by which every country adopts its own national voluntary target to achieve LDN and periodically reports to the COP on the implementation of its NAP and the progress made towards achieving such target (2017);

(f) Affected country Parties report on progress indicators and a global assessment of progress made in implementing the Convention, trends and the likelihood of achieving land neutrality targets at national, regional and global levels (2020).

24. The above elements could be discussed at CRIC 13 with a view to continuing consultations on this matter in preparation for the fourteenth session of the CRIC (CRIC 14) and the twelfth session of the COP (COP 12), where a decision may be taken by Parties on such a plan and the resources that need to be mobilized in order to implement it.

B. Options for the mobilization of resources and capacities

25. Through decision 2/COP.11, the Parties requested the secretariat and the GM to present options for mobilizing the resources and capacities required for the realization of the plan for the NAP alignment process vis-à-vis the overall SLM goals at national level.

26. The shifting global financing environment and the cross-sectoral nature of land degradation call for a comprehensive and programmatic approach to SLM funding. Several ongoing processes and changing trends at the global level are likely to influence and increase potential financing options for UNCCD implementation at the national level, mainly related to climate change but also to other sectors. Some of the most significant funding options that emerged recently in this context are outlined below. A more comprehensive source of information is the Finance Info Kit,[6] an online directory of available funding sources and mechanisms maintained by the GM.

1. Investment Fund for Land Degradation Neutrality

27. The GM is spearheading the development of a multi-stakeholder financial instrument designed for blended investments in land restoration by the public and private sector, which could support the transition to land degradation neutrality (Investment Fund for Land Degradation Neutrality (LDN Fund). Specifically, the Fund would provide the financial means to support SLM business models across all land-use sectors, with a specific focus on large-scale land restoration and rehabilitation projects.

28. With growing pressure on productive land due to a steadily increasing world population and global demand, the rehabilitation of degraded lands worldwide has become an inevitable part of the sustainable development equation. It is estimated that more than 2 billion hectares of land worldwide offer opportunities for restoration. The Fund would work in combination with a number of regulatory and market-based incentives, which will create bankable opportunities to regenerate the productive capacity of degraded lands.

29. The diversified portfolio of investments in land restoration and the integrated landscape management projects that the Fund would support is expected to generate a combination of revenue streams, which will be attractive to a broad range of institutional investors, impact investors and financial intermediaries. Examples of returns on investment would include the appreciation of the value of land, revenues from the sale of sustainably

[6] <http://global-mechanism.org/our-services/finance-info-kit>

produced goods and services, fees and payments associated with ecosystem services and conservation schemes, cash flows from public goods traded in voluntary and regulated markets, as well as social and environmental returns such as food, water and energy security, climate change resilience, biodiversity conservation, gender equality, and cultural values.

2. Green Climate Fund

30. Of major importance to future potential UNCCD financing is also the establishment of the Green Climate Fund (GCF), which is soon to become operational. The GCF, established in 2011 as an operating entity of the Financial Mechanism of the UNFCCC, is mandated to support developing country Parties that are particularly vulnerable to the adverse effects of climate change. Developed country Parties committed to a goal of jointly mobilizing USD 100 billion per year by 2020 to address the needs of developing countries. Currently, approximately fifty percent of the funds pledged have been earmarked for adaptation. It is expected that a significant share of the new multilateral funding committed for adaptation will flow through the GCF. The GCF recently received pledges of USD 10.2 billion, which it will disburse through grants, loans, equity and guarantees starting in 2015.

31. In this context, a land-based approach to climate change adaptation and resilience is necessary and inevitable. The SDGs and the post-2015 development agenda, which is currently under negotiation, can help promote land-based action. With regard to the sustainable management of land resources, the shared strategic goals of the Rio conventions present a unique opportunity to leverage synergies, increase efficiency and avoid duplication in national implementation and reporting processes. By using common indicators and/or monitoring and evaluation frameworks, the Rio conventions and their financial mechanisms, such as the GEF, would be in a position to better assess and compare the effectiveness of land management policies and practices in meeting their common goals.

3. Other climate financing options

32. There is often a limited awareness by affected countries Parties of the existence of climate change funds and of their eligibility to access these funds. Difficulties with complex and stringent application/approval procedures and inadequate knowledge of other options to further enhance SLM financing are other reported challenges. Accessing climate change finance for SLM practices often assumes that countries are able to: (a) identify and target relevant funding sources and mechanisms; (b) meet eligibility criteria; (c) develop the necessary arguments and supporting data to clearly show links between SLM and climate change; (d) build partnerships at the national and regional level with the relevant stakeholders (e.g. GEF implementing agencies).

33. In response to this, the GM will increase its efforts to build national-level capacities for accessing climate change finance and build knowledge on ecosystem and land-based adaptation measures. In practice, this means supporting affected country Parties in designing projects that improve the condition and productivity of land resources, while at the same time providing significant mitigation or carbon sequestration co-benefits. The GM's work on this has already started in nine countries through the implementation of the recently completed grant from the European Commission entitled Integrating Climate Change Finance in Sustainable Land Management Investment Strategies.

4. Global Environment Facility Trust Fund

34. The negotiations on the sixth replenishment of the GEF Trust Fund (GEF-6) concluded with pledges totalling USD 4.43 billion over four years, of which USD 431 million is allocated to the land degradation focal area (July 2014 to June 2018). The land

degradation focal area allocation includes a provision for financing enabling activities for GEF-eligible countries with up to USD 10 million, mostly for progress indicator reporting and target-setting. The GEF and UNCCD secretariats are consulting on priorities for the use of the resources, which will need to take into account COP guidance.

35. GEF-6 is also introducing Integrated Approach Pilots (IAPs), which seek to address environmental challenges by focusing on some of the underlying drivers of environmental degradation with a special focus on food security, sustainable cities and the elimination of deforestation from global commodity supply chains. Additional areas of focus for the GEF will include engagement with the private sector, work on gender mainstreaming, and collaboration with civil society organizations.

36. The GM will assist affected country Parties in exploring the following opportunities for GEF-6: (a) mobilization of resources from both conventional GEF focal areas and the IAPs, especially with regard to food security, with land as the underlying element; (b) partnerships with newly accredited implementing agencies (e.g. World Wildlife Fund of the United States of America, Conservation International, etc.) for activities in the land degradation focal area at country level; and (c) cooperation with countries and partners to develop multi-focal proposals which are innovative and address additionality and instrumentality.

5. Initiative 20 x 20

37. Initiative 20 x 20, which was launched during the Second Global Landscape Forum held during the UNFCCC COP 20 in Lima, Peru, constitutes a regional action that could increase financial flows for the purposes of restoring degraded lands. With its bold target to restore 20 million hectares of degraded land in Latin America and the Caribbean by 2020, it contributes to the Bonn Challenge of bringing 150 million hectares of land into restoration globally by the same year. This initiative constitutes one of the most important efforts to address land degradation issues in this region since the adoption of the UNCCD, and synergies with the LDN pilot projects are being explored. This is a public–private partnership involving several impact investors and multilateral and bilateral funders which have indicated willingness to invest a total of USD 365 million. Other financial instruments will also be deployed and are currently being designed, such as partial risk guarantees.

V. Conclusion and recommendations

38. The following are preliminary recommendations that may be considered by Parties at CRIC 13, with a view to initiating early consultations on draft decisions to be forwarded to COP 12 for consideration:

(a) The UNCCD and GEF secretariats are requested to continue consultations on objectives and options for GEF-6 enabling activities, with a view to including technical and financial support for the 2016 reporting exercise, particularly in the area of progress reporting and national target-setting towards the LDN goal;

(b) Affected country Parties are invited to continue consultations on the global plan for NAP alignment with the LDN goal, with a view to adopting such a plan at COP 12;

(c) The secretariat and the GM are requested to facilitate such consultations, including by organizing specific meeting to hold in the margins or back-to-back to COP 12;

(d) The GM is requested to continue to: (i) provide support to affected country Parties in establishing national-level IFs for UNCCD implementation that

can make full use of existing and emerging funding opportunities: (ii) explore the engagement of the broadest possible spectrum of investors for scaling up SLM across all land-use sectors; and (iii) incentivise land restoration and rehabilitation in degraded lands as well as landscape approaches to climate change mitigation and adaptation objectives.